

AMENDED IN ASSEMBLY AUGUST 29, 2008  
AMENDED IN ASSEMBLY AUGUST 21, 2008  
AMENDED IN ASSEMBLY AUGUST 20, 2008  
AMENDED IN ASSEMBLY JANUARY 17, 2008  
AMENDED IN SENATE APRIL 19, 2007

**SENATE BILL**

**No. 191**

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**Introduced by Senator Padilla**

February 7, 2007

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An act to add Sections 1771.3, 1771.44, and 1771.45 to the Labor Code, relating to public works, ~~and making an appropriation therefor.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 191, as amended, Padilla. Public works: State Public Works Enforcement Fund.

Existing law requires an awarding body, as defined, that chooses to use funds from either the Kindergarten-University Public Education Facilities Bond Act of 2002 or the Kindergarten-University Public Education Facilities Bond Act of 2004 for a public works project to initiate and enforce, or contract with a 3rd party to initiate and enforce, a labor compliance program, as defined, for that public works project.

This bill would require specified state agencies or school districts that choose to use the Kindergarten-University Public Education Facilities Bond Act of 2006 or any subsequent education facilities bond act as a source of funds for a public works project to pay a fee levied by the Director of Industrial Relations to cover administrative expenses for the enforcement of prevailing wage and apprenticeship requirements on projects using those funds.

This bill would also require the California High-Speed Rail Authority and any other recipient of funds from the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century to pay those administrative fees, if that act is approved by the voters at the statewide *general* election held on November 4, 2008.

This bill would require all fees collected to be deposited into the State Public Works Enforcement Fund, a special fund this bill would create, and from which moneys ~~would be continuously appropriated to~~ *would, upon appropriation by the Legislature, be used by* the department for purposes, as specified. ~~By authorizing the expenditure of moneys from a continuously appropriated fund, this bill would make an appropriation.~~

*This bill would become operative on July 1, 2009.*

Vote: majority. Appropriation: ~~yes~~-no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 1771.3 is added to the Labor Code, to  
2 read:

3 1771.3. The State Public Works Enforcement Fund is hereby  
4 created as a special fund in the State Treasury. ~~Notwithstanding~~  
5 ~~Section 13340 of the Government Code, moneys in the fund shall~~  
6 ~~be continuously appropriated to the Department of Industrial~~  
7 ~~Relations, without regard to fiscal year, for the purposes of Moneys~~  
8 ~~in the fund shall, upon appropriation by the Legislature, be used~~  
9 ~~by the Department of Industrial Relations for the purposes of~~  
10 administering and enforcing the prevailing wage and apprenticeship  
11 requirements applicable to public works pursuant to this chapter  
12 and Chapter 4 (commencing with Section 3070) of Division 3, and  
13 may not be used or borrowed for any other purpose.

14 SEC. 2. Section 1771.44 is added to the Labor Code, to read:

15 1771.44. (a) Notwithstanding any other provision of law, any  
16 state agency and school district that chooses to use funds derived  
17 from the Kindergarten-University Public Education Facilities Bond  
18 Act of 2006 (Chapter 1 (commencing with Section 101000) of  
19 Part 69 of Division 14 of the Education Code) or any subsequent  
20 education facilities bond act approved by the voters, shall be  
21 assessed a fee levied by the Director of Industrial Relations in an  
22 amount not to exceed one-quarter of 1 percent of the contracted  
23 price of their public works project using such bond funds. The fee

1 shall be set to cover the expenses of the Department of Industrial  
 2 Relations for administering the prevailing wage and apprenticeship  
 3 requirements applicable to public works that are attributable to  
 4 such projects. ~~The director~~ *The State Allocation Board shall*  
 5 *increase the grant amount to accommodate the fee amount to the*  
 6 *Department of Industrial Relations. The fee shall be paid from*  
 7 *project funds that are derived from those bond funds. The director,*  
 8 *in consultation with the State Allocation Board,* shall adopt  
 9 reasonable regulations setting forth the amount of the fee, the  
 10 manner of collection of the fee, and the requirements for agencies  
 11 and awarding bodies to notify the department of their public works  
 12 projects. All fees collected pursuant to this subdivision shall be  
 13 deposited in the State Public Works Enforcement Fund created by  
 14 Section 1771.3, and shall be used only for enforcement of  
 15 prevailing wage and apprenticeship requirements on projects using  
 16 bond funds derived from the Kindergarten-University Public  
 17 Education Facilities Bond Act of 2006.

18 (b) A state agency or school district covered by this section shall  
 19 not administer a labor compliance program or contract with a third  
 20 party to administer a labor compliance program.

21 (c) This section shall not apply to any state agency or school  
 22 district that received final approval of its labor compliance program  
 23 from the Department of Industrial Relations on or before ~~December~~  
 24 ~~7, 1996~~ *January 1, 1997*, and chooses to retain ~~their~~ *its* state  
 25 certified labor compliance program.

26 (d) *Subdivision (a) shall apply to any contract awarded on and*  
 27 *after the effective date of this section.*

28 SEC. 3. Section 1771.45 is added to the Labor Code, to read:

29 1771.45. (a) Notwithstanding any other provision of law, the  
 30 California High-Speed Rail Authority and any other recipients of  
 31 funds from the Safe, Reliable High-Speed Passenger Train Bond  
 32 Act for the 21st Century (Chapter 20 (commencing with Section  
 33 2704) of Division 3 of the Streets and Highway Code) shall be  
 34 assessed a fee levied by the Director of Industrial Relations in an  
 35 amount not to exceed one-quarter of 1 percent of the contracted  
 36 price of their public works project using such bond funds. The fee  
 37 shall be set to cover the expenses of the Department of Industrial  
 38 Relations for administering the prevailing wage and apprenticeship  
 39 requirements applicable to public works that are attributable to  
 40 such projects. *The fee shall be paid from project funds that are*

1 *derived from those bond funds.* The director shall adopt reasonable  
2 regulations setting forth the amount of the fee, the manner of  
3 collection of the fee, and the requirements for the awarding bodies  
4 to notify the department of their public works projects. All fees  
5 collected pursuant to this subdivision shall be deposited in the  
6 State Public Works Enforcement Fund created by Section 1771.3,  
7 and shall be used only for enforcement of prevailing wage and  
8 apprenticeship requirements on projects using bond funds derived  
9 from the Safe, Reliable High-Speed Passenger Train Bond Act for  
10 the 21st Century.

11 (b) The California High-Speed Rail Authority or any other  
12 recipient of funds from the Safe, Reliable High-Speed Passenger  
13 Train Bond Act for the 21st Century covered by this section is not  
14 required to administer a labor compliance program or contract  
15 with a third party to administer a labor compliance program.

16 (c) This section shall not apply to any recipient of funds from  
17 the Safe, Reliable High-Speed Passenger Train Bond Act for the  
18 21st Century who is required by federal mandate to operate a labor  
19 compliance program.

20 (d) This section shall become operative only if the Safe, Reliable  
21 High-Speed Passenger Train Bond Act for the 21st Century  
22 (Chapter 20 (commencing with Section 2704) of Division 3 of the  
23 Streets and Highway Code) is approved by the voters at the  
24 statewide *general* election to be held November 4, 2008.

25 *SEC. 4. This act shall become operative on July 1, 2009.*